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## **THE CROSS-HARBOUR (HOLDINGS) LIMITED**

**港通控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 32)**

### **SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION SUBSCRIPTION OF LIMITED PARTNERSHIP INTERESTS IN PARTNERSHIPS**

Reference is made to the announcement of the Company dated 21 February 2022 in respect of the discloseable transaction relating to the Two Subscriptions (the “Announcement”). Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Board wishes to provide the shareholders and potential investors of the Company with further information relating to the Two Subscriptions as follows:

#### **INFORMATION ON THE INITIAL LIMITED PARTNER OF THE TWO PARTNERSHIPS**

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Initial Limited Partner is a limited liability company admitted to the Two Partnerships as the initial limited partner of the Two Partnerships. Upon one or more additional persons becoming limited partners of the First Partnership and/or the Second Partnership, the Initial Limited Partner shall withdraw as the Initial Limited Partner of the First Partnership and/or the Second Partnership respectively, and shall cease to have further or continuing interests in the Two Partnerships.

#### **BACKGROUND OF THE FIRST GENERAL PARTNER, THE SECOND GENERAL PARTNER AND FRANCISCO PARTNERS**

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries:

Each of the First General Partner and the Second General Partner is a Cayman Islands exempted limited partnership established for the purpose of controlling and managing the First Partnership and the Second Partnership, respectively. Each of the First General Partner and the Second General Partner has appointed Francisco Partners Management, L.P. (“Francisco Partners”) to provide investment management services to the Two Partnerships.

Francisco Partners is a Delaware limited partnership incorporated in the United States. Founded in 1999, Francisco Partners is a leading private equity firm focused on investing in technology companies and has a team of more than 50 investment professionals. It has raised aggregate capital commitments of over US\$25 billion and has a wide investor basis which covers public and corporate pension funds, foundations, endowments, insurance companies, sovereign wealth funds and family offices. Francisco Partners is led by its chief executive officer, Mr. Dipanjan (DJ) Deb, and its chief investment officer, Mr. David Golob whose biographies are set out below.

### **Mr. Dipanjan (DJ) Deb – Co-Founder and Chief Executive Officer**

Mr. Deb is the co-founder and chief executive officer of Francisco Partners, who has extensive experience in private equity investment. Prior to founding Francisco Partners in 1999, Mr. Deb was a principal of Texas Pacific Group. Earlier in his career, he was a director of Semiconductor Banking at Robertson, Stephens & Company and a management consultant at McKinsey & Company.

### **Mr. David Golob – Chief Investment Officer**

Mr. David Golob is the chief investment officer of Francisco Partners, who has extensive experience in private equity investment in the software industry. Prior to joining Francisco Partners as a partner in 2001, Mr. Golob was a managing director of Tiger Management, where he was the co-head of the global technology group. Mr. Golob spent seven years as a private equity investor focused on the software industry at General Atlantic Partners and Sutter Hill Ventures. Earlier in his career, he was a management consultant at McKinsey & Company.

### **FURTHER INFORMATION ON THE TWO PARTNERSHIPS**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries:

Both the First Partnership and the Second Partnership seek to execute a similar and consistent strategy. The Two Partnerships are seeking to: (1) identify middle-market and larger companies whose prospects are opaque; (2) acquire those companies at a discount to their intrinsic value; (3) apply a combination of capital, operating talent, and strategic resources to improve performance and sharpen positioning; and (4) eventually sell those companies at prices that reflect their true underlying values. Francisco Partners executes a multi-pronged investment strategy to seek to capitalize on the investment opportunity presented by the technology middle market. Francisco Partners will invest across a variety of verticals within technology, including software, healthcare IT, hardware, and fintech.

The key difference in investment scope between the Two Partnerships is that the First Partnership is expected to focus on investments for which the initial equity commitment is larger than what would normally be suitable for the Second Partnership. The First Partnership generally focuses on acquisitions for which the initial equity commitment by it is US\$200 million or greater, whereas the Second Partnership generally focuses on acquisitions for which the initial equity commitment by it is less than US\$200 million.

### **FURTHER REASONS FOR AND BENEFITS OF THE TWO SUBSCRIPTIONS**

The Two Subscriptions presented an opportunity for the Company to invest alongside a highly experienced investor in global private technology investing. In particular, the Directors believe that capabilities of Francisco Partners in value-oriented technology investing act as an attractive diversifier in the context of the Group's broader portfolio of listed and unlisted investments. In early 2021, Francisco Partners was named "the best performing private equity firm over the last decade" in the 2020 HEC-Dow Jones Private Equity Performance Ranking, which illustrates the strength of their investment track record and supports the Directors' belief that the Two Subscriptions will enhance profitability of the Company while also improving diversification.

Having considered the reasons and benefits set out above, the Directors are of the view that the Two Subscriptions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Saved as disclosed above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcement.

On behalf of the Board  
**Yeung Hin Chung, John**  
*Managing Director*

Hong Kong, 2 March 2022

*As at the date hereof, the Board comprises Cheung Chung Kiu, Yeung Hin Chung, John, Yuen Wing Shing, Wong Chi Keung, Leung Wai Fai and Tung Wai Lan, Iris who are executive directors; and Ng Kwok Fu, Luk Yu King, James and Leung Yu Ming, Steven who are independent non-executive directors.*